Case 3:07-cv-06140-MHP Document 153 Filed 08/21/2008

Page 1 of 3

Lead Plaintiff Movants Clal Finance Batucha Investment Management, Ltd. ("Clal") and Direct Investment House (Providence Funds) Ltd. ("Direct") respectfully submit this supplemental memorandum to advise the Court that Verifone Holdings, Inc. ("Verifone" or the "Company") concluded its investigation of its previously announced accounting errors and has issued a restatement.

The restatement for the nine months ended July 31, 2007 are found in the Company's Form 100/A (Amendment No.1), Note 2 "Restatement of Condensed Consolidated Financial Statements" filed with the Securities and Exchange Commission on August 19, 2008 (annexed hereto as Exhibit A).

Significantly, the Company found "no evidence that any period prior to fiscal year 2007 required restatement." This conclusion bolsters Clal and Direct's argument that the only appropriate Class Period for determining the movants' financial interest in this litigation is March 1, 2007 through December 3, 2007. As the first financial statement in the fiscal year 2007 occurred on March 1, 2007, there are no facts before this Court to support any allegations that any of Verifone's financial statements made prior to that date were false and misleading. Accordingly, there is no basis to extend the Class Period prior to March 1, 2007.

Dated: August 21, 2008

Respectfully Submitted,

## COTCHETT, PITRE & McCARTHY

Joseph W. Cotchett San Francisco Airport Office Center 840 Malcolm Road, Suite 200 Burlingame, California 94010 (650) 697-6000 Telephone: (650) 697-0577 Facsimile:

28

SUPPLEMENTAL SUBMISSION OF CLAL FINANCE BATUCHA INVESTMENT MANAGEMENT, LTD. AND DIRECT INVESTMENT HOUSE (PROVIDENCE FUNDS) LTD. REGARDING RECENT DEVELOPMENTS IN THIS ACTION